Abstract of the Disclosure

The present invention provides peptides that specifically bind to BACE at a newly discovered exosite. The invention also provides methods for identifying peptides that bind to a BACE exosite. The invention further provides methods for identifying compounds that bind to a BACE exosite and modulate BACE activity. In another aspect, the invention provides methods for treating or preventing neurodegenerative disorders such as Alzheimer's disease by administering compounds that bind to a BACE exosite and modulate BACE activity.